

Subsidy Control

The Additional Restrictions Grant is subject to the new subsidy control regime.

Small Amounts of Financial Assistance Allowance

Under the new regime, grants may be paid in accordance with Article 3.2(4) of the Trade and Cooperation Agreement (TCA), providing that doing so does not exceed the maximum level of subsidy allowance of 325,000 Special Drawing Rights¹, to a single economic actor over any period of 3 fiscal years.

COVID-19 Business Grant Allowance

If the above threshold has been reached, grants may be paid in compliance with the Principles set out in Article 3.4 of the TCA and in compliance with Article 3.2(3) of the TCA subject to £1,600,000.00 limit per single economic actor.²

*COVID-19 Business Grant Special Allowance*³

Where an applicant has reached its limit under the Small Amounts of Financial Assistance Allowance and COVID-19 Business Grant Allowance, they may be able to access a further allowance of funding under these scheme rules of up to £9,000,000 per single economic actor, subject to the following conditions being met:

- The Special Allowance covers only the applicant's uncovered fixed costs⁴ incurred during the period between 1 March 2020 and 31 March 2022, including such costs incurred in any part of that period ('eligible period');
- Applicants must demonstrate a decline in turnover during the eligible period of at least 30% compared to the same period in 2019.⁵

Applicants must complete the declaration within the application form.

¹ Equivalent of £335,000 as at 2nd March 2021

² This allowance includes any grants previously received under the COVID-19 business grant schemes and any State aid previously received under Section 3.1 of the European Commission's Temporary Framework across any other UK scheme.

This may be combined with the Small Amounts of Financial Assistance Allowance to equal £1,935,000 (subject to the exact amount applicable under the Small Amounts of Financial Assistance Allowance using the Special Drawing Right calculator).

³ This allowance includes any grants previously received in accordance with Section 3.12 of the European Commission's Temporary Framework; all figures used must be gross, that is, before any deduction of tax or other charge.

Grants provided under this allowance shall not be cumulated with other subsidies for the same costs.

For the avoidance of doubt, grants under the Small Amounts of Financial Assistance Allowance, the COVID-19 Business Grant Allowance and the COVID-19 Business Grant Special Allowance may be combined for a potential total allowance of £10,935,000 (taking into account all grants previously received under the COVID-19 business grants schemes and subject to the exact amount applicable under the Small Amounts of Financial Assistance Allowance using the Special Drawing Right calculator).

⁴ 'Uncovered fixed costs' means fixed costs not otherwise covered by profit, insurance or other subsidies.

⁵ The calculation of losses will be based on audited accounts or official statutory accounts filed at Companies House, or approved accounts submitted to HMRC which includes information on the applicant's profit and loss.